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HIGH COURT OF CHHATTISGARH AT BILASPUR

Single Bench : Hon'ble Shri H.L. Dattu, C.J.

Writ Petition No. 4232 of 2000

Petitioners

1. Sreechem Resins Ltd. Through Gadadhar Das, late Shri Shakti Pada Das, Aged 32 years, Authorized officer, Darramura, Raigarh.
2. Satyanarain Kabra, S/o Arjunlal Kabra, Aged 35 years, 26, Rameshwar Malia, Lane, Howrah-1.

versus

Respondents

1. State of Madhya Pradesh, Through the Secretary, Ministry of Commercial Taxes, Vallabh Bhawan, Bhopal
2. State Level Committee, (For Exemption of payment of Sales Tax/Commercial Tax) Through Industries Commissioner, Vindhyachal, Bhopal
3. Industries Commissioner, Vindhyachal, Bhopal.

Present : Shri Shashank Dubey, Sr. Advocate with Shri Neelabh Dubey, counsel for the petitioners.

Shri Vinay Harit, Dy. A.G. for the State.

Shri Ajay Singh, Commissioner of Commercial Tax, Shri S.K.Behar, Director Industries and Shri G.D. Agrawal, C.T.O., Raigarh, Commercial Tax Officer are also present.

ORAL ORDER

(Passed on 24th April, 2007)

The first petitioner is a Company incorporated under the provisions of Companies Act and also a registered dealer under the provisions of Madhya Pradesh General Sales Tax Act and the Central Sales Tax Act. The second petitioner is a share holder of the Company.

(2) The petitioner is a manufacturer of Phenol Formaldehyde Resin and its manufacturing unit is situate at Darramura village, Raigarh which is a backward area as declared by several notifications issued by the State of Madhya Pradesh.

(3) The State Government had issued a Notification No.A-3-11-86(74)-ST-V, dated 16-10-1986 granting exemption to the industries which are in the business of manufacture of chemical resin and which are situate in backward areas for a period of six years. In view of the said Notification petitioner was granted exemption for a period of six years from 20-12-1993 to 19-12-1999 by issuing eligibility certificate by a competent authority. In that very Notification it is also made known that if an industry makes an investment of Rs.1 Crore and above and if it produces a status of pioneer industry certificate from the Department of Commerce & Industries, the industry would be entitled to exemption from payment of commercial tax for a further period of three years. It is the case of the petitioners that an application was filed for extending the exemption which was granted earlier for a further period of three years. It is the grievance in the writ petition that without considering the aforesaid application, the respondents have initiated proceedings to complete the assessment for several assessment years and they have also taken coercive steps to recover tax from the petitioner-industry pursuant to the said assessment proceedings. Therefore, petitioner - industry is before this Court inter alia seeking several reliefs against the respondents.

(4) The arguments canvassed by learned Senior Counsel Shri Shashank Dubey in support of the relief sought in the petition need not be noticed by me, for the reason, that, Shri Vinay Harit, learned Dy. Advocate General appearing for the respondents would submit that the respondents have already withdrawn the demand notices issued to the petitioner-industry and he would further submit that the respondents would consider the application filed by the petitioner-industry for grant of exemption from payment of tax for a further period of three years in accordance with law and in accordance with the terms of the Notification.

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(5) Taking note of the statement made by the learned Dy. Advocate General and without going in to other details of the case, the writ petition is disposed of as under :-

Order

1. The writ petition is disposed of.
2. A direction is issued to the Commissioner, Commercial Tax and Industries /respondent No.3 to consider the application filed by the petitioner-industry for extending the exemption granted earlier for a further period of three years in accordance with law as expeditiously as possible, at any rate within a period of three months from today. Till such time, the respondents shall not resort to any coercive steps to recover commercial tax, if any, from the petitioner-industry for the aforesaid period.
3. Ordered accordingly.

Sd/-
Chief Justice